

Consolidated Statements of Income

SOFTBANK INVESTMENT CORPORATION and Consolidated Subsidiaries

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	Year Ended 31st March		Year Ended 31st March,
	2004	2005	2005
OPERATING REVENUES (Note 19)	¥35,364	¥81,512	\$758,886
OPERATING COSTS (Note 20)	12,018	21,323	198,519
Gross profit	23,346	60,189	560,367
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 21)	15,259	35,319	328,825
Operating income	8,087	24,870	231,542
OTHER INCOME (EXPENSES):			
Interest and dividends income	21	194	1,810
Interest expense	(100)	(63)	(591)
Foreign exchange (loss) gain—net	(30)	107	994
Gain on sale of investment securities—net	10,088	3,868	36,008
Dilution gain from changes in equity interest (Note 23)	33	10,569	98,400
Reversal of allowance for doubtful accounts	1,948	101	941
Loss on transfer of stock within the group	(7,025)		
Amortisation of negative goodwill—net	1,197	1,973	18,375
Provision for statutory reserves	(657)	(1,177)	(10,956)
Impairment of goodwill	(541)		
Other—net	(1,013)	(416)	(3,872)
Other income—net	3,921	15,156	141,109
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	12,008	40,026	372,651
INCOME TAXES (Note 22):			
Current	6,134	10,360	96,458
Reversal of the prior year's income taxes	(167)	(33)	(307)
Deferred	180	(904)	(8,418)
Total income taxes	6,147	9,423	87,733
MINORITY INTERESTS IN NET INCOME	(1,604)	(4,972)	(46,286)
NET INCOME	¥ 4,257	¥25,631	\$238,632
	Yen		U.S. Dollars
PER SHARE OF COMMON STOCK (Notes 2.u and 27):			
Basic net income	¥650.49	¥3,579.29	\$33.32
Diluted net income	594.89	3,280.47	30.54
Cash dividends applicable to the year	770	350	3.26

See notes to consolidated financial statements.